

JK



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

April 26, 2007

Dave Shaver, Manager
Andalex Resources, Inc.
P.O. Box 1077
Price, Utah 84501

Subject: Deficiencies for Appendix X - Gob Vent Holes 10 through 17, Task ID #2766, Andalex Resource Inc., Centennial Mine, C/007/0019

Dear Mr. Shaver:

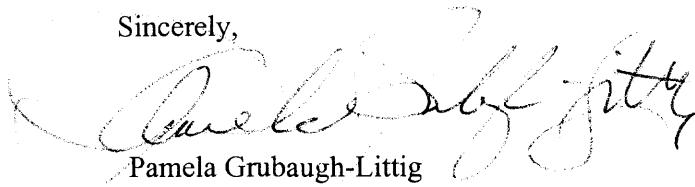
The Division has reviewed your application to construct eight new gob holes that are bonded and have seven alternative holes approved for construction upon receipt of additional reclamation bond.

The Division has determined that there are some deficiencies that must be addressed before a determination can be made that the requirements of the R645 Coal Mining Rules have been met, and an approval can be granted. Those deficiencies are listed as an attachment to this letter.

Each deficiency identifies its author by that author's initials in parentheses, such that your staff can directly communicate with that individual should any questions arise.

Please respond to these deficiencies as soon as possible, but by no later than May 11, 2007, such that we may efficiently process your application.

Sincerely,



Pamela Grubaugh-Littig
Permit Supervisor

an
Attachment
O:\007019.CEN\FINAL\WG2766\DEFICIENCY2766.DOC



Deficiency List

Task ID #2766

The members of the review team include the following individuals:

Wayne H. Western [whw]
Steve K. Christensen [skc]
Priscilla W. Burton [pwb]

R645-301-121.100, Appendix X, Table 1-2 itemizes 4.87 acres of existing degas well disturbance, down from the original 8.39 acres. The reduction in disturbed area probably reflects the contemporaneous reclamation work completed to date on GVH 1, 3, 4, 5, and 6, 7, 8, and 9 (mud pits and staging areas). A statement confirming that assumption is requested in the narrative to confirm that these areas have been contemporaneously reclaimed and to state the dates of reclamation. [pwb]

R645-301-121.300, Please use the C1C2 form to place publicly available landowner agreements (emailed to the Division) in Appendix X-4-2, not in the confidential folder. [pwb]

R645-301-830.140 and R645-301-121.200, The Permittee must clearly identify each of the seven alternative holes that have been conditionally approved upon submission of an adequate bond. In addition, the Permittee must state that they will construct any of the alternative holes until adequate bond is posted. [whw]

R645-301-830.110, The Permittee must include the Division's revised reclamation cost estimate into the MRP. The revised estimate contains 2007 unit costs along with the 2007 escalation factor. The Division will provide the Permittee with a copy of the revised reclamation costs in either electronic or paper format. [whw]

R645-301-731, the road descriptions contained in Chapter 5 and their depictions on Figure 1-1 of the application should be addressed prior to Division Approval:

GVH-5: An existing road is depicted on the clean copy map version of Figure 1-1 in the vicinity of GVH-5. However, it does appear that a small access road was constructed to site GVH-5 (approximately 300-400'). The road description for GVH-5 on page 5-6 does not discuss this small access road. The Permittee should indicate in the description on page 5-6 what the reclamation plans are for this newly constructed access road. If the road is to be retained at the conclusion of mining operations, the Permittee should provide documentation or a reference to where the landowners have signed off on the post-mining land use that includes the retention of the access road. The Permittee should modify and/or clarify the description on Page 5-6.

GVH-5A: Page 5-6 indicates that a road was constructed for GVH-5A from GVH-5. There is no indication as to whether the newly constructed road will be reclaimed or not. The Permittee should indicate in the description on page 5-6 what the reclamation plans are for this newly constructed access road. If the road is to be retained at the conclusion of mining operations, the Permittee should provide documentation or a reference to where the landowners have signed off on the post-mining land use that includes the retention of the access road. The Permittee should modify and/or clarify the description on Page 5-6.

GVH-5B: Per a discussion with Dave Shaver of Andalex Resources, Inc., it was determined that GVH-5B was not constructed. The Permittee should modify and/or clarify the description on Page 5-6 to reflect that the vent hole was not constructed.

GVH-6: The access road description on page 5-7 states, "This is a constructed access road running from 'Road GVH-5' to the GVH-6 site". Figure 1-1 depicts a newly constructed road arcing southwest to the site off of a jeep trail. The road is described as being 4,300' long on page 5-7; however, the arcing access road depicted on the map is considerably shorter according to the scale (1"=1,000 ft.). If "Road GVH-5" has been designated a name for one of the jeep trails shown on Figure 1-1, it should be labeled. The Permittee should modify and/or clarify Figure 1-1 and the description on Page 5-7.

GVH-8: A road was constructed to access GVH-8. The Permittee should indicate in the description on page 5-7 what the reclamation plans are for this newly constructed access road. If the road is to be retained at the conclusion of mining operations, the Permittee should provide documentation or a reference to where the landowners have signed off on the post-mining land use that includes the retention of the access road.

GVH-10A: The access to the site will be a newly constructed road per the description on page 5-8 and is not "scheduled to be removed". If the road is to be retained at the conclusion of mining operations, the Permittee should provide documentation or a reference to where the landowners have signed off on the post-mining land use that includes the retention of the access road.

GVH-15A: Figure 1-1 depicts the site as being located on an existing road. However, the description on page 5-9 indicates that the road will be constructed and will be approximately 900' long. The Permittee also states that the road is scheduled to be removed and reclaimed. The Permittee should modify and/or clarify Figure 1-1 and the description on Page 5-9.

GVH-17: Page 5-9 indicates that the site will be accessed via the existing OSO pipeline corridor. A pipeline corridor is not depicted on Figure 1-1 in this area. In addition, a newly constructed spur road is depicted on Figure 1-1, yet not discussed in the description. The Permittee should modify and/or clarify Figure 1-1 and the description on Page 5-9. [skc]